

December 4, 2015

RE: Weekly Policy Update

I. Federal Transportation Update

II. Towns Petition BPU Regarding Poor Telephone Service and Broadband Issues

III. 100th Conference Follow Up, 16 Resolutions Approved

IV. General Assembly Voting Session, Thursday, December 3 Municipal Clerk: Please

forward a copy to all Governing Body Members

Dear Mayor:

I. Federal Transportation Update

On Tuesday, House and Senate transportation bill conferees signed off on the newly renamed *Fixing America's Surface Transportation (FAST) Act*, which will fund our federal highway, transit, freight, safety, and rail programs for five years at a topline figure of up to \$305 billion. The funding includes \$281 billion from the Highway Trust Fund, as well as an additional \$24.5 billion from the general fund, though the latter will be subject to the appropriations process.

On Thursday, on a vote of 359-65, with affirmative votes from 178 Republicans and 181 Democrats, the House accepted the compromise. The Senate is expected to take action today or Monday.

It will take some time to fully review the 1300+ page bill, but there are a number of provisions worth noting at the outset.

- The Surface Transportation Program, which is now the Surface Transportation Block Grant Program, will increase funding that is allocated to local decision makers from 50 percent to 55 percent over the life of the bill, and gives localities greater flexibility over how STP dollars are spent. This helps to undo some of the changes made under the prior transportation bill, MAP-21, which reduced local control over the STP program.

The Transportation Alternatives Program (TAP) will be rolled into the new Surface Transportation Block Grant Program, and funding will be increased from \$835 million to \$850 million. Additionally, the Metropolitan Planning Organization will be given greater flexibility over how they spend their TAP dollars, allowing up to 50 percent of those funds to be spent on other STP eligibilities.

- Transit Oriented Development projects are now eligible under the Transportation Infrastructure Finance And Innovation Act (TIFIA), with a much lower threshold of \$10 million minimum project size, thus greatly expanding access for smaller projects to the popular federal financing and loan guarantee program. However, because of the high cost associated with preparing public private partnerships, it will be interesting to see whether or not this provision is utilized for smaller projects.

- The bill greatly expands the federal freight program and establishes a new competitive grant program; the Nationally Significant Freight and Highways Projects (NSFHP) program, which will provide some eligibility for intermodal and freight rail projects.
- In addition to the federal gas tax, which was preserved at current levels, the bill will be financed by a mixture of sources, including tapping the Federal Reserve surplus account, a move that has been controversial among some members selling a portion of the Strategic Petroleum Reserve, and cutting the dividend that the Federal Reserve pays to some member banks.

This bipartisan agreement represents progress on transportation funding and a good down payment on a first class transportation infrastructure for America's future. We commend all who contacted their federal legislators on this crucial initiative. In particular, we want to thank League Immediate Past President and Piscataway Mayor Brian Wahler, for his advocacy in New Jersey and in our Nation's Capital.

Contact: Jon Moran, Sr. Legislative Analyst, jmoran@njslom.org or 609-695-3481 x122.

II. Towns Petition BPU Regarding Poor Telephone Service and Broadband Issues

Last week, sixteen municipalities in four counties filed a petition with the state Board of Public Utilities (BPU) requesting an investigation of Verizon New Jersey. The petition requests an investigation related to Verizon's maintenance of its copper landlines. The petition alleges that Verizon has "retired" these landlines through a lack of maintenance. In doing so, the petition raises issues related to the utility's requirements to provide "safe and adequate service" and also its ability to use DSL to meet its requirements under Opportunity New Jersey (ONJ). For more background on recent BPU order related to ONJ, please click [here](#). The BPU also recently reclassified Verizon's basic landline service as competitive. For more background on this order, which both were opposed by The League, please click [here](#). The League opposed both of these orders.

The League recently passed a [resolution](#) at our 100th annual conference on these telecommunications issues. [Resolution 2015-08](#) clarifies the state's current problems related to copper landlines and fixed broadband internet and urges the BPU and the legislature to closely review and resolve these important and serious issues.

The League will continue to keep you updated as these important telecommunications issues arise.

Contact: Ed Purcell Esq., Staff Attorney, epurcell@njslom.org or 609-695-3481 x137

III. 100th Conference Follow Up, 16 Resolutions Approved

On Thursday, November 19, sixteen resolutions, articulating new legislative and policy priorities for the League of Municipalities, were adopted at the Annual Business meeting held to conclude the League's 100th Annual Conference.

On Tuesday, November 17, the League Resolutions Committee screened the resolutions and made its recommendations. The Committee was chaired by newly elected League President Joseph Tempesta, Mayor of West Caldwell.

League staff will be working with the sponsors of the resolutions to line up legislative sponsors and taking other steps to see to the implementation of these resolutions.

To read the final resolutions, [please click here](#).

Contact: Mike Cerra, Assistant Executive Director mcerra@njslom.org or 609-695-3481 x120.

IV. General Assembly Voting Session, Thursday, December 3

On Thursday, the General Assembly held its first voting session since June. The following bills, **supported** by the League, saw favorable action:

[S-2145/A-631](#) – *Authorizes hiring preference for veterans in non-civil service jurisdictions.* This has now passed both Houses unanimously and goes to the Governor for his consideration.

[A-1726](#) – *Amends "Flood Hazard Area Control Act" to require DEP to take certain actions concerning delineations of flood hazard areas and floodplains.* The Assembly concurred with the Governor's recommendations in his conditional veto. This now goes to the Senate for their consideration.

[A-3507](#) – *Amends law concerning county and municipal stream cleaning activities.* This legislation now heads to the Governor's desk.

[A-3917/S-2523](#) – *Permits municipalities and municipal parking authorities to create Senior Citizen Priority Parking Program.* This legislation heads back to the Senate for concurrence. If and when the Senate concurs, it will then go to the Governor.

[A-4384](#) – *Requires BPU to render decision on case within 12 months of final public hearing or hold another public hearing prior to deciding case.* This bill will now be referenced to the Senate Budget and Appropriations Committee, joining its companion S-3145, and awaits consideration.

The following bill, **opposed** by the League, was approved by a vote of 49-12 with 3 abstentions.

[A-964](#) – *Requires certain bidders for prevailing wage public work to provide proof that the prevailing wage will be paid.* This legislation is redundant and unnecessary. As a matter of practice, most municipalities include in their bid specifications the prevailing wage rates that

apply for that particular contract. They will also include an acknowledgment page that the contract is subject to the Prevailing Wage Act. The bidder is required to sign the form acknowledging that they will adhere to the Prevailing Wage Act. Since the Prevailing Wage Act provides sufficient protections and is strongly enforced, we oppose this legislation. Its Senate companion, S-187, stands at 2nd reading in the Senate and can be scheduled for a vote.

Contact: Mike Cerra, Assistant Executive Director mcerra@njslom.org or 609-695-3481 x120.

Sincerely,

Michael J. Darcy, CAE Executive
Director